## **Introduced by Senator Murray**

February 19, 2004

An act to amend Sections 183 and 2101 of, and to amend the heading of Chapter 3 (commencing with Section 2100) of Division 3 of, the Streets and Highways Code, relating to transportation, and making an appropriation therefor.

## LEGISLATIVE COUNSEL'S DIGEST

SB 1443, as introduced, Murray. Highway Users Tax Account: State Highway Account: appropriation of funds.

Article XIX of the California Constitution requires revenues from state excise taxes on motor vehicle fuels for use in motor vehicles upon public streets and highways, over and above the cost of collection and any refunds authorized by law, to be used for various street and highway purposes and for certain mass transit guideway purposes. Existing law requires state excise fuel tax revenues to be deposited in various accounts and to be allocated, in part, for various purposes, including the cost of collection and authorized refunds. Existing law requires the balance of these funds remaining after authorized deductions to be transferred to and deposited monthly in the Highway Users Tax Account in the Transportation Tax Fund. Existing law provides for formula apportionment of specified revenues in the Highway Users Tax Account to cities and counties for the transportation purposes authorized by Article XIX of the California Constitution, and generally requires the remaining revenues to be transferred to and deposited in the State Highway Account in the State Transportation Fund. Existing law provides that the money in the Highway Users Tax Account is continuously appropriated for the above-described transportation purposes, but also generally provides that the money in the State SB 1443 — 2 —

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Highway Account may not be expended until appropriated by the Legislature.

This bill would, notwithstanding Section 13340 of the Government Code or any other provision of law, provide that all moneys in the Highway Users Tax Account in the Transportation Tax Fund and in the State Highway Account in the State Transportation Fund are continuously appropriated and may be encumbered in any year in which a Budget Act has not been enacted by July 1 for the fiscal year beginning on July 1. The bill would thereby make an appropriation. The bill would authorize the Controller to make estimates in order to implement these provisions.

Vote: majority. Appropriation: yes. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

SECTION 1. Section 183 of the Streets and Highways Code is amended to read:

183. (a) All money in the State Highway Account in the State
Transportation Fund derived from federal sources or from
appropriations to other state agencies, or deposited in the account
by local agencies or by others, is continuously appropriated to, and
shall be available for expenditure by, the department for the
purposes for which the money was made available.

Unless otherwise expressly provided for by law, none of the balance of the money in the State Highway Account shall be expended until it has been specifically appropriated by the Legislature or made available pursuant to Section 13322 of the Government Code.

The Budget Act appropriations shall be made on a program basis only and shall not identify the specific capital outlay projects to be funded. The commission shall be responsible for allocating the funds to specific projects within the budget program categories, except that all funds described in Chapter 5 (commencing with Section 2200) of Division 3 shall be allocated on a program basis to the department for allocation pursuant to that chapter.

(b) Notwithstanding subdivision (a), commencing with the 1985–86 Budget, the department shall submit with its budget requests a detailed description of the acquisition, improvement,

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and construction of office building projects to the Legislature for review. The total amount appropriated for those projects shall be identified as a separate line item in the Budget Act. Funds appropriated for those projects shall be allocated by the commission only for projects which have been approved by the Legislature. Minor projects are to be defined consistent with Section 167. The commission may substitute for approved minor projects, if the total sum of minor projects is within the amount approved by the Legislature.

- (c) Notwithstanding any other provision of law, the Department of Finance may establish the accounting and reporting system used to determine the expenditures, cash needs, and balance of the State Highway Account.
- (d) Notwithstanding subdivision (a), Section 13340 of the Government Code, or any other provision of law, in any year in which a Budget Act has not been enacted by July 1 for the fiscal year beginning on July 1, all moneys in the State Highway Account that are otherwise subject to appropriation pursuant to subdivision (a) are hereby continuously appropriated and may be encumbered for the purposes specified in this chapter.
- SEC. 2. The heading of Chapter 3 (commencing with Section 2100) of Division 3 of the Streets and Highways Code is amended to read:

## CHAPTER 3. HIGHWAY USERS TAX FUND-ACCOUNT

- SEC. 3. Section 2101 of the Streets and Highways Code is amended to read:
- 2101. (a) All moneys in the Highway Users Tax Account in the Transportation Tax Fund and hereafter received in the account are appropriated for all of the following:

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- (1) The research, planning, construction, improvement, maintenance, and operation of public streets and highways (and their related public facilities for nonmotorized traffic), including the mitigation of their environmental effects, the payment for property taken or damaged for such purposes, and the administrative costs necessarily incurred in the foregoing purposes.
- 39 <del>(b)</del>

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(2) The research and planning for exclusive public mass transit guideways (and their related fixed facilities), the payment for property taken or damaged for such purposes, and the administrative costs necessarily incurred in the foregoing purposes.

<del>(e)</del>

(3) The construction and improvement of exclusive public mass transit guideways (and their related fixed facilities), including the mitigation of their environmental effects, the payment for property taken or damaged for such purposes, the administrative costs necessarily incurred in the foregoing purposes, and the maintenance of the structures and the immediate right-of-way for the public mass transit guideways, but excluding the maintenance and operating costs for mass transit power systems and mass transit passenger facilities, vehicles, equipment, and services, in any area where the voters thereof have approved a proposition pursuant to Section 4 of Article XIX of the California Constitution.

<del>(d)</del>

- (4) The payment of principal and interest on voter-approved bonds issued for the purposes specified in subdivision (c).
- (e) Notwithstanding Section 13340 of the Government Code or any other provision of law, in any year in which a Budget Act has not been enacted by July 1 for the fiscal year beginning on July 1, all moneys in the Highway Users Tax Account in the Transportation Tax Fund are hereby continuously appropriated and may be encumbered for the purposes specified in this section and in the manner specified in this chapter. To the extent necessary to implement this subdivision, the Controller may make estimates of appropriations and apportionments, as the case may be, for the purpose of making apportionments or transfers specified in this chapter. Upon enactment of a Budget Act for the fiscal year, the Controller shall make necessary adjustments to reflect actual appropriations and apportionments.